

**APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC  
WATERS OF THE STATE OF NEVADA**

Date of filing in State Engineer's Office AUG 13 1998

Returned to applicant for correction \_\_\_\_\_

Corrected application filed \_\_\_\_\_

Map filed AUG 18 1998

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The applicant **Romarco Nevada Inc.**, hereby makes application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated.

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1. The source of the proposed appropriation is **Underground water**
2. The amount of water applied for is **0.15** second-feet
  - (a) If stored in reservoir give number of acre-feet **N/A**
3. The water to be used for **Underground mining operations, including dewatering, drilling and dust suppression**
4. If use is for:
  - (a) Irrigation, state number of acres to be irrigated **N/A**
  - (b) Stockwater, state number and kinds of animals to be watered **N/A**
  - (c) Other use (describe fully under No. 12. "Remarks")
  - (d) Power:
    - (1) Horsepower developed **N/A**
    - (2) Point of return of water to stream **N/A**
5. The water is to be diverted from its source at the following point **NW¼ NE¼ Section 21, T. 39N., R. 46 E., M.D.M., from which the NE corner of said section bears N. 66° E., 2,200 dist. (an underground mine)**
6. Place of Use **T.39N., R.46E., M.D.M. Section 21: NE¼, S½; Section 28: W½**
7. Use will begin about **January 1** and end about **December 31** of each year.
8. Description of proposed works **See response in Attachment A**
9. Estimated cost of works **\$50,000.00**
10. Estimated time required to construct works **2 years**
11. Estimated time required to complete the application of water to beneficial use **5 years**
12. Remarks: **See response in Attachment B.**

**Jack L. Taylor**  
By s/ **Jack L. Taylor**  
**5450 Riggins Court, Suite 2**  
**Reno, Nevada 89502**

Compared AG/dl ag/sam

Protested by Pershing County Water Conservation District of Nevada 10/16/98  
w/d 2/21/04

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APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of water begins or before the Proof of Completion of Work is filed.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The total combined duty of water under Permits 60669; 61888; 62114, Certificate 15681; 62582; 63022; 64391; 64392; 64598; 65219; 65220; 65221 and 68206 shall not exceed 281.5 acre-feet annually.

The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the groundwater basin.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

Monthly records shall be kept of the following: the volume of water pumped from each well, the volume of water consumptively used for mining and milling purposes and the amount of water diverted to the infiltration basin. These records must be submitted to the State Engineer on a quarterly basis, within 15 days after the end of each calendar quarter.

(CONTINUED ON PAGE 3)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.15 cubic feet per second, but not to exceed 80 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

October 1, 2006

Proof of completion of work shall be filed on or before:

November 1, 2006

Water must be placed to beneficial use on or before:

October 1, 2009

Proof of the application of water to beneficial use shall be filed on or before:

November 1, 2009


Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, HUGH RICCI, P.E.,

State Engineer of Nevada, have hereunto set  
my hand and the seal of my office,

this 1st day of October, A.D. 2004

  
State Engineer

Completion of work filed \_\_\_\_\_

Proof of beneficial use filed \_\_\_\_\_

Cultural map filed N/A

Certificate No. \_\_\_\_\_ Issued \_\_\_\_\_

## Attachment A

### Response to Item 8

Water to be withdrawn from a conventional drilled and cased water well with gravel packing, surface seal, etc. consistent with the requirements of NAC 534. The well will be equipped with a submersible pump powered by an electric motor. Water will be piped overland to the project utilizing a 2 inch diameter steel pipe to a 20,000 gallon storage tank located on top of a ridge west of the mine portal in T. 39 N., R. 46 E., SW 1/4 NW 1/4 Section 21, M.D.M. A 2" diameter steel pipe will be utilized to convey water by gravity from the storage tank to the underground workings. Water will support underground mining operations and be utilized for drilling and dust suppression for underground and for surface access roads. In addition, water will be available for fire fighting purposes as required by the Elko County Fire Marshall. Excess water from underground operations will be collected in sumps and pumped through a 2 inch diameter steel pipe to a second storage tank of 20,000 gallon capacity, located on top of a ridge to the east of the portal, in T. 39 N., R. 46 E., NE 1/4 NE 1/4 Section 21, M.D.M. This water will be gravity fed by a 2" steel pipe back into the mine, or used for surface dust suppression or fire control, as needed. Valves will be placed in the pipelines to control flow, as required.

## Attachment B

### Response to Item 12.

The proposed underground mining operation is anticipated to be initiated before year end, 1998, and is expected to be in operation for 7 to 10 years, or 2008, based on current information. Mine closure and reclamation is scheduled at that time. There is no plan to dewater mine workings by wells. All dewatering of mine workings is planned by use of sumps and pumps within the mine, and it is anticipated that all water encountered in mining operations will be utilized in the mine for drilling, dust suppression and fire control. It is estimated that the dewatering rate will be about 10 gallons per minute. Approximately 80 acre feet of water is expected to be put to beneficial use annually for underground mining, surface and underground drilling, dust suppression on roads and fire control. The operation will be a mining operation only, with no on-site processing of ore. For processing, ore will be trucked to an existing mill that has existing permits and operational capacity. The mining operation will operate 24-hours per day, 365 days per year, and has an expected life of 7 to 10 years. Approximately 300 to 500 tons of ore will be mined per day. Water in the mine will be recycled to the extent feasible, however it is not known at this time what that volume will be. It is expected that as much as 25% of the water may be recycled. Since the operation will be mining only, less than 25 persons will be employed for the operation and drinking water will be provided by bottled water. Portable chemical toilets will be utilized, and shower facilities will not be provided on-site. It is projected that approximately 50 gallons per minute of "make-up" water will be required for the described mining and support operations, on an annualized basis, equaling approximately 80 acre feet per annum (from 2 proposed sources). Drilling operations are expected to utilize approximately 35 gallons per minute (about 56 acre feet per year), and the balance will be utilized for dust suppression and fire control. The request for 80 acre feet per year is to be taken collectively from the two sources applied for by Romarco Nevada Inc.